

Agenda Report

TO: CITY COUNCIL

DATE: July 16, 2007

FROM: City Manager

SUBJECT: CONTRACT AWARD TO MANUEL BROS., INC., A QUANTA SERVICES CO., FOR THE STATE ROUTE (SR) 710 MITIGATION TRAFFIC CONTROL AND MONITORING SYSTEM - INTELLIGENT TRANSPORTATION SYSTEMS (ITS) PROJECT, FOR AN AMOUNT NOT TO EXCEED \$5,000,000

RECOMMENDATION

It is recommended that the City Council accept the bid dated April 17, 2007, submitted by Manuel Bros., Inc., a Quanta Services Company, in response to the Plans and Specifications for the Traffic Control and Monitoring System-ITS Project; reject all other bids received; and authorize the City Manager to enter into a contract not to exceed \$5,000,000 which includes the base bid of \$4,751,100 and \$248,900 for any additional work the City may order pursuant to the project plans and specifications.

BACKGROUND

The Traffic Control and Monitoring System-ITS project is one of the eight projects included in Pasadena's SR 710 Mitigation Project funded by Transportation Bill H.R. 5394 and is included in the approved Capital Improvement Program.

This project has been determined to be Categorically Exempt in accordance with the requirements of the California Environmental Quality Act (CEQA) and Programmatic Categorical Exclusion in accordance with the requirements of the National Environmental Policy Act (NEPA). The California Department of Transportation, which is administering the funds provided under H.R. 5394 has approved the environmental documents and the Notice of Exemption has been recorded with the Los Angeles County Clerk.

The Traffic Control and Monitoring System – ITS project is being advertised and constructed in two phases because there are two different types of work being done that are not normally constructed by the same pool of contractors. The first phase has already been advertised, and is essentially complete. It consisted of the installation of fiber optic communications. The contract currently being awarded is the second phase of the Traffic Control and Monitoring System – ITS project. It consists of traffic signal modifications and the installation of ITS devices, such as a closed circuit television camera and a changeable message sign on the following 11 corridors:

1. Sierra Madre Boulevard (Michillinda to South City Limit)
2. San Gabriel Boulevard (210 Freeway to South City Limit)
3. Marengo Avenue (Orange Grove to Del Mar Boulevards)
4. California Boulevard (St. John to Lake Avenues)
5. Hill Avenue (210 Freeway to Del Mar Boulevard)
6. Cordova Street (Arroyo Parkway to Hill Avenue)
7. Allen Avenue (Orange Grove to Del Mar Boulevards)
8. Del Mar Boulevard (Orange Grove to Rosemead Boulevards)
9. Orange Grove Boulevard (Colorado Boulevard to Sierra Madre Villa Avenue) / Rosemead Boulevard (Sierra Madre Villa to Foothill Boulevard)
10. Fair Oaks Avenue (Orange Grove Boulevard to North City Limit)
11. Los Robles Avenue (Del Mar Boulevard to North City Limit)

This project was advertised in the Pasadena Journal on March 15, 2007. In addition, the Notice Inviting Bids was published in four trade publications. Bid packets were obtained by 29 Contractors, three of whom submitted bids for the project.

Following advertising, bids were received on April 18, 2007, and are as follows:

<u>Bidder</u>	<u>Amount</u>
1. Manuel Bros., Inc.	\$4,751,100
2. Terno, Inc.	\$4,898,421
3. Steiny and Company, Inc.	\$5,521,400
Engineer's Estimate	\$3,499,800

It is recommended that Manuel Bros. Inc. be awarded the contract for this project as they are the lowest responsive and responsible bidder and that the other bids be rejected. The proposed contract with Manuel Bros. Inc. fully complies with the competitive bidding ordinance and the rules and regulations promulgated thereunder as did the Contractor selection process. The contractor has indicated that this contract will result in seven new hires to his present work force.

The International Brotherhood of Electrical Workers (IBEW) and the second lowest bidder have submitted award protest letters asserting that the bid from Manuel Bros. Inc. should be declared nonresponsive. The Department of Public Works, the City Attorney's Office, and outside legal counsel with expertise in contract labor compliance has reviewed the protest and found that the reasons cited by IBEW are not grounds for rejecting Manuel Bros.' bid. The IBEW asserts that Manuel Bros. Inc. cannot comply with Section 2-3.1 of the Standard Specifications that require the prime contractor to perform at least 50 percent of the work with their own forces. In response to this, Manuel Bros. Inc. has provided documentation showing that they intend to perform approximately 75 percent of the work with their own forces. The IBEW letter also questions whether Manuel Bros. Inc. will comply with California Code of Regulations regarding electrical work. Manuel Bros. Inc. holds a valid class "A" contractor's license, which enables them to perform specialty trades, including hiring and retaining certified electricians to perform electrical work covered under a class "C-10" contractor's license. The IBEW further notes that use of apprentices is required for this project. Under bid document BP-(f), item 5, Manuel Bros. Inc. has agreed to comply with California Labor Code apprentice requirements.

The contract for this project will be set up as follows:

Base Bid	\$ 4,751,100
Contingency Allowance	\$ 248,900
Contract "Not to Exceed" Amount	\$ 5,000,000

Construction will begin in September 2007 and is scheduled for completion in September, 2008.

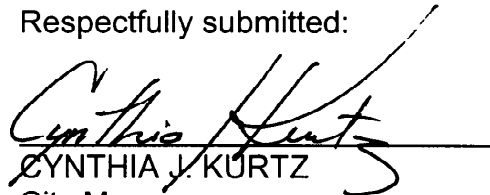
The cost of construction materials such as steel, concrete, timber, etc. have significantly increased in the last couple of years, due to a boom in construction activities, both domestic and foreign. In addition, traffic signal and ITS projects, similar to this project, are prevalent in the Southern California region, as evidenced by the reduced availability of contractors doing this type of work. Staff believes that the increased cost of construction materials and contractor availability are the reasons for the higher bids. Because the three bids are relatively close in range, it is believed that they reflect industry cost trends and a re-advertisement of this project would result in similar bids.

Funds are available in the capital improvement program budget account to award the contract for this project in the amount specified above. Therefore, it is recommended that the City proceed with the contract award to Manuel Bros. Inc.


FISCAL IMPACT

Funds to award the construction contract and cover the City's share of project costs are available in Budget Account 75019, SR 710 Mitigation – Traffic Control and Monitoring System-ITS.


Respectfully submitted:


CYNTHIA J. KURTZ
City Manager


Prepared by:


Robert Gardner, Principal Engineer
Department of Public Works

Reviewed by:


For Daniel A. Rix, City Engineer
Department of Public Works

Approved by:


Martin Pastucha, Director
Department of Public Works

**Disclosure Pursuant to the
City of Pasadena Taxpayer Protection Amendment of 2000
Pasadena City Charter, Article XVII**

Contractor/Organization hereby discloses its trustees, directors, partners, officers, and those with more than a 10% equity, participation, or revenue interest in Contractor/Organization, as follows:

(If printing, please print legibly. Use additional sheets as necessary.)

1. Contractor/Organization Name:

MANUEL BROS., INC. A QUANTA SERVICES CO.

2. Name(s) of trustees, directors, partners, officers of Contractor/Organization:

PRESIDENT - GARY W. SMITH
VICE PRESIDENT & ASSISTANT SECRETARY - JAMES HADDOX, DERRICK JENSEN, TANA POOL, DAVID BRITTAIN, PETER O'BRIEN
VICE PRESIDENT - WILL BURDINE, LOGAN TEAL, LEE SHAKAS, KENNETH TRAWICK
TREASURER - NICHOLAS GRINDSTAFF
SECRETARY - VINCENT MERCALDI
ASSISTANT SECRETARY - ROBERT MOEN

3. Names of those with more than a 10% equity, participation or revenue interest in Contractor/Organization:

NONE

Prepared by: Debbie Johnson
 Title: Administrative Assistant
 Date: 4/16/07

For office use only: Contract/Transaction No. _____ If not a contract, type of transaction: _____
